

Storeganizer expands into Australia



Storeganizer distribution in Australia off to a winning start: first direct customer and first dealer secured, aiming at national coverage by end of 2017!

Storeganizer was searching for the right strategy to enter the Australian market, but didn't want to just set up a local branch and manage it from a distance. The offer by local entrepreneurs Dick Heintz and Bas Schilders to act as Storeganizer's Australian sales partners was the perfect solution. The collaboration is off to a winning start with the signing of the first direct customer, and the first dealership expects to take delivery of its Storeganizer bays in the very near future.

The Challenge

Dick Heintz is the director of MarketKnowledge Australia, a company specialising in end-of-line packaging automation solutions, while Bas Schilders occupies the same position at Fuzzy LogX, a consulting agency specialising in warehouse optimisation and automation. Running complementary businesses, they regularly met on a project basis, and decided to build on these synergies to partner in marketing a product. "I discovered Storeganizer when one of my customers specifically asked for an affordable, flexible, non-automated solution," says Bas Schilders. "Storeganizer

fit in that picture, and also looked like a perfect match for the Australian market, where land prices, as well as personnel expenses, continue to increase, affecting storage costs. All possibilities to save on these costs are eagerly adopted." Both logistics professionals believe that options to increase storage density have so far proved insufficient: it is possible to increase the number of locations with binning or longspan shelving, but the gain is minimal, while an automated carousel or mini load system requires many times the investment required for a Storeganizer solution. The Australian market is geographically large, but economically quite isolated. Even though this poses particular challenges, such as high transportation costs and quickly-rising travel expenses, Dick Heintz and Bas Schilders decided to try their chances on becoming Storeganizer partners.

The Solution

Dick Heintz contacted Storeganizer to find out if it would be interested in engaging the duo as its Australian partner. "We already had our eye on the Australian market," says Frédérique Debecker, Storeganizer's Business Unit Manager. "But setting up a local branch at such a distance, without

thorough knowledge of the market, was risky. This offer was perfectly timed." Market research, several Skype meetings and the first business plan draft confirmed that partnering with Dick Heintz and Bas Schilders would be a beneficial move for both parties.

After that, things evolved quickly. "In the set-up stage, we received swift feedback and very flexible support," says Bas Schilders. "Storeganizer went the extra mile more than once to make sure we had all the answers and materials available to correspond to the very short turnaround time expected by Australian companies." "The fact that Storeganizer is a proven product in other markets proved very helpful as well to convince the first parties who showed an interest," adds Dick Heintz. "Even if they don't know us, companies can call their European or American headquarters to ask how they benefit from their Storeganizer solutions."

To tackle the geographical challenges of the Australian market, the new Storeganizer partners decided on a very straightforward approach, covering the market as broadly as possible. "In order to maintain a competitive price and a high



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level of service, we will handle the larger, customised projects ourselves. In addition, we aim to set up a distribution network with two to three dealerships per city who will cover smaller, local customers, using their existing sales force to promote Storeganizer," says Dick Heintz.

To make sure that customers can quickly obtain a Storeganizer solution, local stock will be maintained, based on six different pocket sizes, which can be finetuned further by using boxes or totes. Custom solutions can be provided based on a thorough analysis of customers' needs, leading to a customer-specific Storeganizer installation.

Storeganizer quickly convinces customers as well as dealers

Demonstration bays have been sent over to showcase the Storeganizer advantages to potential customers, and these have already managed to convince one of the world's largest sportswear companies to fit out their warehouse in Sydney with nine Storeganizer bays for their end of stock items. To avoid external storage or moving, they are already considering an expansion of the Storeganizer solution to the main stock. The demonstration bays have also been placed with two of the world's leading

3PL companies, who are in the process of showcasing the Storeganizer solution to existing and prospective clients.

The first dealership, set up with Warehouse by Design, a Colby racking distributor, is off to a good start and expects its first delivery of Storeganizer bays in the next few months. "Once the shipment arrives, a broad marketing campaign will be launched to create awareness and announce availability of the product," says Dick Heintz. "Our immediate focus will be on expanding this dealer network within Australia," Bas Schilders adds.

By the end of 2017, the duo expects to have about three additional dealers, with at least one providing national coverage. "And once Storeganizer is an established value in the Australian market, we might even expand our offer to New Zealand and possibly the Pacific Islands," says Dick Heintz. "We experienced Storeganizer as a very flexible, professional and responsive partner, offering valuable support to get a foothold in Australia. It's a definite win-win, as Storeganizer expands its sales activity considerably, and we bring a unique offering to the Australian logistics market," says Bas Schilders.

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Bas Schilders,
Director, Fuzzy LogX

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